

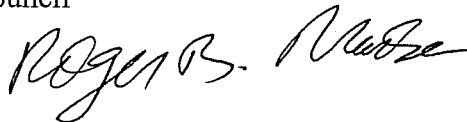
TRANSMITTAL # 9

MEMORANDUM

September 11, 2006

TO: Workforce Development Council

FROM: Roger B. Madsen, Director



SUBJECT: Governor's 15% Reserve to Establish an Industry Based Worker Training Program

ACTION REQUESTED: Recommend approval of a process and funding to address skill shortages and training for new and incumbent workers with a focus on manufacturing

BACKGROUND:

The Regional e3 Dialogue Sessions produced an array of challenges and successes regarding education, employment and economic development. Certain issues related to manufacturing were prevalent in most of the areas.

- Identify key industry clusters and develop/provide training to meet skills gaps, particularly in the area of manufacturing
- Expand career development/awareness via collaboration of education, employment, economic development and industry
- Increase the pipeline of youth and older workers into the workforce
- Support employer incentives for an incumbent worker training program

Manufacturers across the state expressed frustration with recruiting and retaining a quality workforce for their industry. Issues reportedly causing this problem centered on lack of training, awareness of occupational opportunities within the industry and low wages.

The root causes of the problems the manufacturing industry continues to experience with training and retaining a quality workforce have not yet been identified. Further analysis among industry leaders and all local partners from education, employment and economic development is necessary. The goal is to identify the systemic issue and collaboratively work together to identify solutions and resources to resolve the workforce issues experienced by this industry.

Recommendations:

As support for this effort, staff is requesting the Council's approval to set aside \$300,000 of the Governor's 15% Workforce Investment Act reserve funds to establish a pilot program focused on the manufacturing industry. These funds will be used to match employer investments in skill training for new and existing employees interested in the field of manufacturing.

Staff is also requesting the Council's approval to work with the Communications and Community Engagement Committee and a subcommittee of industry leaders to identify key issues and establish guidelines and policies for this program. Recommendations will be brought to the full Workforce Development Council for final action at the January, 2007 meeting in Boise.

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